RECEIVED
SUPREME COURT
STATE OF WASHINGTON
2007 NOV 14 P 2: 40

NO. 76954-1

IN THE SUPREME COURT OF THE STATE OF WASHINGTON TO THE STATE OF WASHINGTON

JOSEF VENTENBERGS, KENDALL TRUCKING, INC., a Washington Corporation, RONALD HAIDER, and HAIDER CONSTRUCTION, INC., a Washington corporation,

Appellants,

VS.

THE CITY OF SEATTLE, a municipal corporation, SEATTLE PUBLIC UTILITIES, and CHUCK CLARKE, in his official capacity as Director of Seattle Public Utilities, WASTE MANAGEMENT OF WASHINGTON, INC., d/b/a Waste Management of Seattle, a Delaware Corporation, RABANCO, LTD., a Washington corporation,

Respondents.

ON APPEAL FROM DIVISION ONE OF THE COURT OF APPEALS

# STATEMENT OF ADDITIONAL AUTHORITY SUBMITTED BY RESPONDENTS CITY OF SEATTLE, SEATTLE PUBLIC UTILITIES, AND CHUCK CLARKE

THOMAS A. CARR Seattle City Attorney

FOSTER PEPPER PLLC

Gregory C. Narver, WSBA #18127 Assistant City Attorney

William H. Patton, WSBA #5771

Seattle City Attorney's Office 600 Fourth Avenue, 4<sup>th</sup> Floor P.O. Box 94769
Seattle, WA 98124-4769 (206) 684-8200

Foster Pepper PLLC 1111 Third Avenue, Suite 3400 Seattle, WA 98101-3299 (206) 447-7898

Attorneys for Respondents City of Seattle, Seattle Public Utilities and Chuck Clarke

**ORIGINAL** 

Pursuant to RAP 10.8, Respondents City of Seattle, Seattle Public Utilities, and Chuck Clarke (collectively, "Seattle") respectfully submit the recent decision of the Nevada Supreme Court in *Douglas Disposal, Inc. v. Wee Haul, LLC*, -- P.3d --, 2007 WL 3287566 (November 8, 2007), as additional authority in support of their contention that the ruling of the Court of Appeals should be affirmed. This decision, attached as Exhibit A hereto, reverses an unpublished trial court decision that had been submitted to this Court in Petitioner's Statement of Additional Authorities (filed July 6, 2005).

Seattle submits this authority (1) to apprise the Court of the reversal of a case previously cited by appellants, and (2) in support of its argument that regulation of the collection and disposal of construction waste is a valid exercise of a local government's police power. 2007 WL 3287566, \*3.

RESPECTFULLY SUBMITTED this 13th day of November, 2007.

THOMAS A. CARR Seattle City Attorney

FOSTER PEPPER, PLLC

Gregory C Narver, WSBA # 18127

Assistant City Attorney

600 – 4<sup>th</sup> Avenue, 4<sup>th</sup> Floor

P.O. Box 94769

Seattle, Washington 98124-4769

(206) 684-8200

By: Long College For William H. Patton, WSBA # 5771 1111 Third Avenue, Suite 3400 Seattle, Washington 98101-3299

(206) 447-7898

Attorneys for Respondents City of Seattle, Seattle Public Utilities and Chuck Clarke

## CERTIFICATE OF SERVICE

I certify under penalty of perjury under the laws of the State of Washington that on the 13<sup>th</sup> day of November, 2007, I caused a true and correct copy of the foregoing "STATEMENT OF ADDITIONAL AUTHORITY SUBMITTED BY RESPONDENTS CITY OF SEATTLE, SEATTLE PUBLIC UTILITIES, AND CHUCK CLARKE" to be delivered by U.S. mail, postage prepaid, to the following counsel of record:

Counsel for Appellants:
William R. Maurer, WSBA #25451
INSTITUTE FOR JUSTICE
811 First Ave., Suite 625
Seattle, WA 98104

Counsel for Waste Management of Washington d/b/a Waste Management of Seattle:

Jessica L. Goldman, WSBA #21856

SUMMIT LAW GROUP, PLLC

315 Fifth Ave. S., Suite 1000

Seattle, WA 98104-2682

Andrew M. Kenefick, WSBA #18374 WASTE MANAGEMENT OF WASHINGTON, INC. 801 Second Ave., Suite 614 Seattle, WA 98104-1599

Counsel for Rabanco, Ltd.
David W. Wiley, WSBA #08614
Dana A. Ferestien, WSBA #26460
WILLIAMS, KASTNER & GIBBS PLLC
Two Union Square, Suite 4100
P.O. Box 21926
Seattle, WA 98111-3926

# Counsel for BIAW:

Andrew C. Cook, WSBA #34004 Building Industry Association of Washington P.O. Box 1909 111 West 21<sup>st</sup> Avenue Olympia, WA 98507-1909

# Counsel for WRRA:

James K. Sells, WSBA #06040 RYAN SELLS UPTEGRAFT, INC., P.S. 9657 Levin Rd. NW, Suite 240 Silverdale, WA 98383

DATED this 13 day of November, 2007, at Seattle, Washington.

Harel Haralson

# EXHIBIT A

--- P.3d ------- P.3d ----, 2007 WL 3287566 (Nev.) (Cite as: --- P.3d ----)

Douglas Disposal, Inc. v. Wee Haul, LLC Nev., 2007.

Only the Westlaw citation is currently available. Supreme Court of Nevada.

DOUGLAS DISPOSAL, INC., Appellant,

WEE HAUL, LLC; Robert Haight; Scott Hoyle; Mitchell B. Crockett; NJ Enterprises, Inc.; John Innes; and Nancy Innes, Respondents.

No. 44862.

Nov. 8, 2007.

Appeal from a district court order denying injunctive relief to enforce an exclusive franchise agreement. Ninth Judicial District Court, Douglas County; <u>David R. Gamble</u>, Judge.

Reversed and remanded.

Jeffrey K. Rahbeck, Zephyr Cove, for Appellant. Hager & Hearne and <u>Treva J. Hearne</u> and <u>Robert R. Hager</u>, Reno, for Respondents. <u>Mark Jackson</u>, District Attorney, and Cynthea A. Gregory, Deputy District Attorney, Douglas County,

BEFORE THE COURT EN BANC. FN1

for Amicus Curiae Douglas County.

<u>FN1.</u> The Honorable James W. Hardesty, Justice, voluntarily recused himself from participation in the decision of this matter.

#### **OPINION**

By the Court, SAITTA, J.:

\*1 In this appeal, we examine whether a county is authorized, under its governmental police powers, to regulate construction waste, and particularly whether Douglas County properly enacted an ordinance granting an exclusive franchise to appellant Douglas Disposal, Inc. (Disposal), for construction waste collection and disposal within the county. Since we conclude that construction waste regulation falls within the County's police powers, we next examine whether an exclusive franchise agreement for construction waste collection and disposal violates the dormant Commerce Clause of the United States Constitution. FN2 Because we conclude that such an agreement comports with the dormant Commerce Clause, we reverse the district court's order denying

the franchisee injunctive relief, and remand the matter for the district court to grant an injunction precluding respondents from collecting and hauling construction waste within the franchise area.

FN2. Douglas County filed an amicus brief asserting that it had proper authority to grant an exclusive franchise agreement and that the agreement did not violate the dormant Commerce Clause.

#### BACKGROUND FACTS

In 1996, Douglas County enacted an ordinance, under which it entered into an amended franchise agreement with Disposal providing an exclusive privilege to collect and dispose of all solid waste within the East Fork Township of the county. Thereafter, respondents Wee Haul, LLC, and NJ Enterprises, Inc., independent contractors that haul away non-putrescible construction waste, FN3 also began operating their respective businesses within the exclusive franchise area. Wee Haul and NJ Enterprises provided boxes at construction sites for their customers to fill with construction waste, which Wee Haul and NJ Enterprises then hauled to local landfills, as well as to landfills in California. The County, however, had not authorized Wee Haul and NJ Enterprises to haul construction waste within its boundaries.

FN3. "Putrescible" is defined as "subject to putrefaction" which is the "[p]artial decomposition of organic matter by microorganisms, producing foul-smelling matter." Webster's II New College Dictionary 922 (2005).

Seeking to prevent Wee Haul and NJ Enterprises from collecting and disposing of construction waste, Disposal brought an action requesting injunctive relief and damages, based on its exclusive franchise agreement. Thereafter, Disposal filed a "Motion for Judgment on the Pleadings and/or for Partial Summary Judgment."In their opposition to the motion, Wee Haul and NJ Enterprises argued that the exclusive franchise agreement's language was ambiguous and that the agreement did not include construction waste. Thus, Wee Haul and NJ

Enterprises argued, Disposal did not have an exclusive franchise to pick up and haul construction waste within the township. In addition, Wee Haul and NJ Enterprises further argued in their pretrial statement that even if the court determined that the agreement included construction waste, the agreement was unenforceable because it violated the dormant Commerce Clause and because the County exceeded its police powers in authorizing the exclusive franchise. [NA] Disposal countered, arguing the merits of the dormant Commerce Clause violation.

<u>FN4.</u> In answering the complaint, respondents did not assert as an affirmative defense that the agreement was invalid for constitutional reasons.

The district court found that non-putrescible "construction debris is not injurious to the public health, and therefore falls outside [of] the County's police power."It further concluded that an exclusive franchise agreement to collect and dispose of construction waste places an excessive burden on interstate commerce in violation of the dormant Commerce Clause. For those reasons, the district court denied Disposal's request for an injunction and damages. FNS Disposal appeals.

FN5. We note that Disposal sought injunctive relief and damages in its complaint and later filed a "Motion for Judgment on the Pleadings and/or for Partial Summary Judgment." Apparently, the district court treated the entire matter as a request for a preliminary injunction.

#### DISCUSSION

\*2 In this opinion, we consider whether construction waste poses public health and safety concerns such that the County may, under its police powers, enter into an exclusive franchise agreement for the collection and disposal of construction waste. We also determine whether such an agreement violates the dormant Commerce Clause.

Disposal raises four arguments: (1) that Wee Haul and NJ Enterprises waived their constitutionally based defenses by failing to assert them in their answers as affirmative defenses; (2) that the County has the authority to grant an exclusive franchise for

collection and disposal of waste, including construction waste; (3) that the agreement explicitly grants Disposal an exclusive franchise to collect and dispose of construction waste; <sup>FN6</sup>/<sub>EN6</sub> and (4) that the agreement does not violate the dormant Commerce Clause. With the exception of the waiver argument, we agree.

FN6. The district court did not address this issue. Therefore, we need not reach the issue. See, e.g., <u>American Home Assurance</u> Co. v. Dist. Ct., 122 Nev. ----, n. 51, 147 P.3d 1120, 1130 n. 51 (2006).

#### Standard of review

This court reviews a district court order denying injunctive relief for abuse of discretion. FN7 However, to the extent that the review involves the construction of a contract, the standard of review is de novo. FN8 Likewise, this court reviews the constitutionality of statutes de novo. We have previously recognized that "'[s]tatutes are presumed to be valid, and the burden is on the challenger to make a clear showing of their unconstitutionality."

<u>FN7.Number One Rent-A-Car v. Ramada</u> <u>Inns. 94 Nev. 779, 780, 587 P.2d 1329, 1330</u> (1978).

FN8.NOLM, LLC v. County of Clark, 120 Nev. 736, 739, 100 P.3d 658, 661 (2004).

FN9.Sheriff v. Burdg, 118 Nev. 853, 857, 59 P.3d 484, 486 (2002).

<u>FN10.Id.</u> (quoting <u>Childs v. State</u>, 107 Nev. 584, 587, 816 P 2d 1079, 1081 (1991) (alteration in original)).

Alleged waiver pursuant to NRCP 8(c)

Disposal asserts that Wee Haul and NJ's constitutional defenses, that the exclusive franchise agreement violated the dormant Commerce Clause and that the County exceeded its police power, are affirmative defenses that the district court should not have considered because Wee Haul and NJ Enterprises did not affirmatively plead these as defenses. [N11]

#### FN11.SeeNRCP 8(c).

An affirmative defense is an argument or assertion of fact that, if true, will defeat the plaintiff's claim even if all allegations in the complaint are true. FN12 Generally, NRCP 8(c) provides that an affirmative defense must be pleaded in the answer or it is waived. However, even if not properly pleaded, an affirmative defense may be tried by consent or when fairness warrants consideration of the affirmative defense and the plaintiff will not be prejudiced by the district court's consideration of it. FN13

FN12.Clark Cty. Sch. Dist. v. Richardson Constr., 123 Nev. ----, --- P.3d ---- (Adv.Op. No. 39, October 4, 2007) (adopting test for determining what defenses fall under the "catchall" provision in NRCP 8(c); see also Black's Law Dictionary 451 (8th ed.2004); NRCP 8(c).

FN13.NRCP 15(b); *Ivory Ranch v. Quinn River Ranch*, 101 Nev. 471, 473, 705 P.2d 673, 675 (1985); *Schwartz v. Schwartz*, 95 Nev. 202, 204-05, 591 P.2d 1137, 1139 (1979).

Here, although Wee Haul and NJ Enterprises did not assert any affirmative defenses in their answers, they raised the constitutional issues in their opposition to Disposal's "Motion for Judgment on the Pleadings and/or for Partial Summary Judgment." Although Disposal objected that Wee Haul and NJ Enterprises had not raised the constitutional arguments in their answer, Disposal addressed the merits of the constitutional issues in its reply. We conclude that Disposal had notice of the constitutional arguments and was thereafter able to fully argue the merits of them. FN14 Accordingly, the district court properly considered the constitutional arguments in rendering its decision.

FN14.NRCP 15(b); see also Schwartz, 95
Nev. at 205, 591 P.2d at 1139; Williams v.
Cottonwood Cove Dev. Co., 96 Nev. 857, 861, 619 P.2d 1219, 1221 (1980) (holding that, when the opposing party had the opportunity to respond and did respond to the motion, no prejudice attached).

Construction waste poses public health and safety

#### concerns

\*3 The district court determined that non-putrescible construction waste was not injurious to the public health and that its regulation therefore fell outside of the County's police powers. We disagree.

We reject the district court's determination that construction waste does not pose public health and safety concerns. FN15 To the contrary, in addition to the possibility that such waste could contain materials adverse to human health, including asbestos exposure, construction waste poses other safety hazards by potentially creating conditions that may cause fire, or may cause the collapse of the debris and materials, may create animal habitats, or may create other safety hazards. Certainly, excessive quantities of construction debris can create a public nuisance, subjecting it to county regulation. FN16 Accordingly, as set forth below, regulation of construction waste falls within the County's police power.

FN15 See City of Spokane v. Carlson, 436 P.2d 454, 456-58 (Wash .1968) (holding that an ordinance enacted by Spokane, which provided that Spokane was the exclusive trash services provider to its residents, including disposal of inorganic refuse, was a valid exercise of Spokane's police power for health, sanitation, or safety).

FN16. See City of Chicago v. Krisjon Const. Co., 617 N.E.2d 21, 26 (Ill.Ct.App.1993) (determining that excessive quantities of construction debris and inefficient and improper methods of its disposal result in scenic blight, cause serious hazards to public health and safety, and create public nuisances).

The County has the authority to grant an exclusive franchise over waste collection and disposal

Police power confers upon the states the ability to enact laws in order to protect the safety, health, morals, and general welfare of society. Municipalities have the right to exercise their police powers and enact ordinances related to the protection of the public health, even if their ordinances interfere with private property rights. Nevada Legislature enacted NRS Chapter 444 to protect the public health and welfare,

to prevent water and air pollution, the spread of disease, and the creation of nuisances, to conserve natural resources, and to enhance the beauty and quality of the environment. FN19 To that end, NRS 444.510(1) imposes on local governments FN20 the obligation to "develop a plan to provide for a solid waste management system" that adequately provides for the management and disposal of solid waste within counties, cities, and towns, including FN21 Additionally, "construction waste."  $\frac{\text{FN21}}{\text{Additionally}}$  Additionally,  $\frac{\text{NRS}}{244.187(3)}$  and  $\frac{\text{NRS}}{244.188(1)(b)}$  authorize counties to grant exclusive franchises to any person or entity to provide services for the "[c]ollection and disposal of garbage and other waste." FN24 Further, we conclude that the term "other waste" is broad and properly encompasses solid waste, including construction waste. Therefore, counties may include construction waste in exclusive franchise agreements.

# <u>FN17.Kirkpatrick v. Dist. Ct.</u>, 119 Nev. 66, 70, 64 P.3d 1056, 1059 (2003).

FN18.Reduction Company v. Sanitary Works. 199 U.S. 306, 323-24 (1905); see Tri-State Rubbish, Inc. v. Waste Management, Inc. 998 F.2d 1073, 1082 (1st Cir.1993) (concluding that a municipality could lawfully regulate waste control for public health reasons, even if the ensuing regulations "severely limit[ed] the value of an ongoing business"); State v. Park, 42 Nev. 386, 392, 178 P. 389, 391 (1919).

## FN19.NRS 444.440.

FN20. While NRS 444.510 expressly refers to "municipalities," NRS 444.470 defines "[m]unicipality" as "any county and any city or town."

<u>FN21.SeeNRS 444.490</u> (defining "solid waste" to include construction waste).

FN22.NRS 244.187 provides, in relevant part,

A board of county commissioners may, to provide adequate, economical and efficient services to the inhabitants of the county and to promote the general welfare of those inhabitants, displace or limit competition in any of the following areas:

3. Collection and disposal of garbage and other waste.

#### FN23.NRS 244.188(1) provides,

Except as otherwise provided [ (when these powers are provided to an unincorporated town or within a general improvement district) ], a board of county commissioners may, outside the boundaries of incorporated cities and general improvement districts:

- (a) Provide those services set forth in <u>NRS</u> 244.187 on an exclusive basis or, by ordinance, adopt a regulatory scheme for controlling the provision of those services or controlling development in those areas on an exclusive basis; or
- (b) Grant an exclusive franchise to any person to provide those services.

#### FN24.NRS 244.187(3) (emphasis added).

Here, the County, in accordance with NRS 444.510, developed a plan for its solid waste management by granting Disposal an exclusive franchise agreement to collect and dispose of all solid waste, including industry construction waste, within the franchise area. The County's plan included an exclusive franchise agreement as authorized under NRS 244.187(3) and NRS 244.188(1)(b). Accordingly, the County was authorized to enact an ordinance granting an exclusive franchise agreement to Disposal for the collection and disposal of waste, including construction waste.

The County's exclusive franchise agreement does not violate the dormant Commerce Cause

\*4 Disposal argues that the district court erred when it found that the exclusive franchise agreement violated the dormant Commerce Clause. We agree.

#### The dormant Commerce Clause

The Commerce Clause of the United States Constitution gives Congress the power to regulate interstate commerce. FN25 In addition to granting regulatory power to Congress, the Commerce Clause "has long been understood to have a 'negative' aspect that denies the States the power unjustifiably to discriminate against or burden the interstate flow of articles of commerce."FN26 This "'negative" or "dormant" aspect of the Commerce Clause prohibits

States from advancing their own commercial interests by curtailing the movement of articles of commerce, either into or out of the state.' "FN27

FN25.U.S. Const. art. I, § 8, cl. 3.

FN26.Oregon Waste Systems, Inc. v. Department of Environmental Quality of Ore., 511 U.S. 93, 98 (1994).

FN27.National Solid Wastes Management Ass'n v. Meyer, 63 F.3d 652, 657 (7th Cir.1995) (quoting Fort Gratiot Sanitary Landfill, Inc. v. Michigan Dept. of Natural Resources, 504 U.S. 353, 359 (1992)).

A statute or ordinance may be struck down under the dormant aspect of the Commerce Clause if it discriminates "on its face[,] in practical effect," or through its purpose. FN28 Thus, two levels of analysis are used to determine whether such a violation has occurred. First, a court must consider whether the statutes or government contracts facially discriminate against interstate commerce. FN29 If they do not facially discriminate against interstate commerce, the court must determine whether, in application, they unduly burden interstate commerce.

FN28. Hughes v. Oklahoma, 441 U.S. 322, 336 (1979); see Ben Oehrleins & Sons & Daughter v. Hennepin County, 115 F.3d 1372, 1383 (8th Cir. 1997).

FN29. Pike v. Bruce Church, Inc., 397 U.S. 137, 142 (1970).

FN30.Id.

Discrimination against interstate commerce

A law or government contract violates the "dormant" aspect of the Commerce Clause if it facially discriminates against interstate commerce. FN31 Here, the district court correctly found that the agreement does not facially discriminate against interstate commerce. We note that the challenged agreement does not overtly prevent out-of-state enterprises from competing in local markets. FN32 Consequently, the issue is whether the exclusive franchise agreement places an undue burden on interstate commerce.

<u>FN31.United Haulers Assn., Inc. v. Oneida-</u> <u>Herkimer Solid Waste Management Authority, 550 U.S. ----, 127 S.Ct. 1786, 1794 (2007).</u>

FN32.Cf. Lewis v. BT Investment Managers, Inc., 447 U.S. 27, 35, 39 (1980).

Undue burden on interstate commerce

Disposal argues that the district court erred when it found that the exclusive franchise agreement unduly burdened interstate commerce. We agree.

The United States Supreme Court held in Pike v. Bruce Church, Inc. that statutes advancing a legitimate local interest and applying equally to instate and out-of-state (interstate) commerce will be upheld "unless the burden imposed on [interstate] commerce is clearly excessive in relation to the putative local benefits." The Pike Court set forth three criteria to consider when determining whether a statute imposes an undue burden on interstate commerce: (1) the nature of the state's or municipality's interest in enacting the legislation, (2) the extent of the burden on interstate commerce created by the legislation, and (3) whether the interest in enacting the legislation could have been served by other legislation that does not impact interstate commerce as much. FN34

#### FN33.397 U.S. 137, 142 (1970).

FN34.Id.; see also <u>Pacific Northwest</u> <u>Venison Producers v. Smitch</u>, 20 F.3d 1008, 1013-17 (9th Cir.1994); <u>Waste Mgmt. v.</u> <u>Biagini Waste Reduction</u>, 74 Cal.Rptr.2d 676, 683-84 (Ct.App.1998).

#### The County's interest

In balancing the *Pike* factors, we are mindful that the state is afforded great deference when it legislates matters regarding the protection of its citizens' health and well-being. FN35 And the exercise of police powers may justify discrimination against interstate commerce that would not be otherwise justified by a local government's economic interests. FN36 Accordingly, courts reviewing such regulations and contracts will generally not "second-guess the empirical judgments of lawmakers concerning the utility of legislation." FN37

FN35.See Metropolitan Life Ins. Co. v. Massachusetts, 471 U.S. 724, 756 (1985) (observing that the states "traditionally have had great latitude under their police powers to legislate" as to their citizens' health and safety).

FN36.See <u>U & I Sanitation v. City of Columbus</u>, 205 F.3d 1063, 1070 (8th Cir.2000); <u>USA Recycling Inc. v. Town of Babylon</u>, 66 F.3d 1272, 1288 (2d Cir.1995).

FN37.Pacific Northwest, 20 F.3d at 1017 (quoting CTS Corp. v. Dynamics Corp. of America, 481 U.S. 69, 92 (1987)); see Biagini, 74 Cal.Rptr.2d at 683 ('"When a state statute regarding safety matters applies equally to interstate and intrastate commerce, the courts are generally reluctant to invalidate [it] even if [it] may have some impact on interstate commerce.' "(alterations in original) (quoting People v. Niebauer, 263 Cal.Rptr. 287, 292 (Ct.App.1989))).

\*5 The California Court of Appeal, when reviewing legitimate local purposes of exclusive waste disposal agreements, has determined that an exclusive franchise agreement is a "proper exercise of the municipality's police power, and serves an important public interest by protecting against the hazards of indiscriminate or unsafe waste disposal." FN38 As the Second Circuit Court of Appeals has explained, municipalities have a "legitimate-indeed, compellinginterest[] that [is] served by [a] waste management program." Because waste management, including the collection and disposal of construction waste, undoubtedly concerns the health and safety of a community, the laws that regulate these matters may place somewhat greater burdens on interstate commerce than might otherwise be acceptable. FN40 Accordingly, we conclude that the County has a legitimate if not compelling interest in regulating construction waste through an exclusive franchise.

FN38. Biagini, 74 Cal. Rptr. 2d at 683.

FN39. USA Recycling, 66 F.3d at 1288.

FN40.Pike, 397 U.S. at 143;see also

General Motors Corp. v. Tracv. 519 U.S. 278, 306 (1997) ("[L]egitimate state pursuit of such interests [is] compatible with the Commerce Clause, which was 'never intended to cut the States off from legislating on all subjects relating to the health, life, and safety of their citizens, though the legislation might indirectly affect the commerce of the country." (quoting Huron Cement Co. v. Detroit, 362 U.S. 440, 443-44 (1960))).

Disproportionate burden on interstate commerce

The dormant Commerce Clause may be used to invalidate legislation if the legislation imposes a disproportionate burden on interstate commerce. FN41 If an exclusive franchise agreement to collect and dispose of garbage restricts interstate and intrastate commerce equally, the agreement does not unduly burden interstate commerce, and thus, the agreement does not violate the dormant Commerce Clause . FN42 The dormant Commerce Clause does not protect any particular interstate business interest; FN43 it protects the flow of commerce between the states so that no single business interest, intrastate or interstate, unduly burdens that flow. As the Second Circuit Court of Appeals concluded, a municipality's takeover of the local garbage market will "not impose any different burdens on nonlocal [haulers] as opposed to local garbage haulers ... [if] the takeover will result in only one garbage hauler collecting commercial garbage [in the town], and [it] will not necessarily increase or decrease interstate commerce in garbage collection." FN44

FN41. USA Recycling, 66 F.3d at 1287.

FN42. Biagini, 74 Cal. Rptr. 2d at 684.

FN43.International Truck and Engine Corp. v. Bray, 372 F.3d 717, 727 (5th Cir.2004).

FN44. USA Recycling, 66 F.3d at 1287.

Here, no unequal burden on interstate commerce has been created. The County properly granted an exclusive franchise to Disposal and thereby prohibited any other in-state or out-of-state garbage collector from collecting and disposing of waste, including construction waste, within the township. Thus, Wee Haul and NJ Enterprises are no more

--- P.3d ------- P.3d ----, 2007 WL 3287566 (Nev.) (Cite as: --- P.3d ----)

affected by the agreement than any other intrastate or interstate firms. Thus, the exclusive franchise agreement here does not place any additional burden on interstate commerce than it does on intrastate commerce.

#### Alternative measures

The last consideration in determining whether an agreement places an undue burden on interstate commerce is whether some alternative measure could have accomplished the franchise agreement's purpose. This criterion focuses not on whether the franchise agreement is the least burdensome alternative, but on whether the total effect of the statute or ordinance was so slight as to not outweigh the national interest in interstate commerce. Finds In examining this factor, we do not determine which feasible alternative is the best means to achieve a state's legitimate objective.

FN45.See Biagini, 74 Cal.Rptr.2d at 683.

<u>FN46.Id</u>; <u>Bibb v. Navajo Freight Lines</u>, 359 U.S. 520, 524 (1959).

\*6 Here, Wee Haul and NJ Enterprises did not argue that an available, less burdensome alternative existed. Thus, we decline to engage in an unnecessary separate analysis of the County's exercise of its police powers on this ground.

#### CONCLUSION

district court properly considered the constitutional defenses raised by respondents in their opposition to appellant's "Motion for Judgment on the Pleadings and/or for Partial Summary Judgment."We conclude that the County may constitutionally regulate construction waste under its police powers, since construction waste poses public health and safety concerns. We also conclude that Douglas County appropriately exercised its police power in granting the exclusive franchise agreement to collect and dispose of construction waste to Douglas Disposal. Further, Douglas County's grant of an exclusive franchise to Disposal does not impermissibly violate the dormant Commerce Clause. Accordingly, we reverse the district court's order denying the injunction and remand this matter to the district court for proceedings consistent with this opinion.

We concur: MAUPIN, C.J., and GIBBONS, PARRAGUIRRE, DOUGLAS and CHERRY, JJ. Nev., 2007.
Douglas Disposal, Inc. v. Wee Haul, LLC ---- P.3d ----, 2007 WL 3287566 (Nev.)

END OF DOCUMENT